Amendments to the Claims:

This listing of claims replaces all prior versions and listings of claims in the application.

Claims 1-5, 8, 9, 10, 12, 13, 18, 19, 22, 23, 25, 26, 29, 30, 35-37, 39, 46, 49 and 50 have been amended.

Claims 7, 14, 15, 20, 21, 31, 32, 40, 41 and 51 have been cancelled, without prejudice.

Claims 6, 14, 15, 28, 31, 32, 47, 48 and 52 have been withdrawn without prejudice, only in view of the agreed-upon restriction for examination, from consideration in view of the election made at the interview May 19, 2006. Claim 28 was inadvertently omitted upon filing and is withdrawn from consideration. With the exception of claim 28, Applicants hereby reserve the right to reassert the withdrawn claims.

Claims 11, 16, 17, 24, 27, 33, 34, 38, and 42-45 remain as original claims.

The claims currently pending in this case are 1-5, 8-13, 16-19, 22-27, 29, 30, 33-39, 42-46, 49 and 50.

Listing of Claims:

1. (currently amended) A sterically stabilized liposome carrier wherein the carrier contains phosphatidylcholine, phosphatidylglycerol and poly (ethylene glycol) for combination with [a drug] budesonide for aerosol administration, the [sterically stabilized liposome] carrier being compatible with a respiratory tract of a mammal and effective to extend the effective life of the [drug] budesonide in the respiratory tract by a time equal to at least twice the effective life of the budesonide alone.

2. (currently amended) The carrier of claim 1 wherein the time is equal to at least three times the effective life of the [drug] budesonide alone.

3. (currently amended) The carrier of claim 1 wherein the carrier [comprises] contains phosphatidylglycerol in an amount up to 99% of the total phosphatidylcholine and phosphatidylglycerol in the carrier.

4. (currently amended) The carrier of claim 3 wherein the carrier further [comprises] contains phosphatidylglycerol in an amount up to 99% of the total phosphatidylcholine and phosphatidylglycerol in the carrier.

5. (currently amended) The carrier of claim 1 wherein the [drug] carrier [comprises budesonide] contains phosphatidylcholine in an amount up to about 50% of the total phosphatidylcholine and phosphatidylglycerol.

6. (withdrawn) The carrier of claim 1 wherein the drug comprises triamcinolone.

7. (cancelled)

8. (currently amended) The carrier of claim [8] 1 wherein the poly (ethylene glycol) has a molecular weight from about 500 to about 5,000 daltons.

9. (currently amended) The carrier of claim 1 wherein [at least one of phosphatidylcholine, phosphatidylglycerol, and] poly(ethylene glycol) is attached to[a lipid] lipids such as cholesterol or phosphatidylethanolamine[, have] having acyl chains containing from about [16] 8 to about 18 carbon atoms.

10. (currently amended) The carrier of claim 9 wherein the acyl chains contain from about [8] 16 to about 18 carbon atoms.

11. (currently amended) The carrier of claim 9 wherein the acyl groups comprise at least one of distearoyl, stearoyl oleoyl, oleoyl stearoyl, stearoyl palmitoyl, dipalmitoyl, dioleoyl, palmitoyl oleoyl and dipalmitoleoyl.

12. (currently amended) The carrier of claim 1 wherein the carrier comprises at least one of poly (ethylene glycol)-conjugated lipids, phosphatidylinositol, dipalmitoylphosphatidylpolyglycerol, lipid conjugated polyoxyethylene, lipid conjugated polysorbate, or lipids conjugated to other hydrophilic steric coating molecules safe for in vivo use, the sterically stabilized liposome being effective to extend the effective lifetime of [a drug] the budesonide in the respiratory tract of a mammal.

13. (currently amended) The carrier of claim 1 wherein the carrier [is] contains phosphatidylcholine, phosphatidylglycerol, poly (ethylene glycol)-[distearyolphosphatidyldiethanolamine] distearoylphosphatidyldiethanolamine, with or without cholesterol.

14. (withdrawn) The carrier of claim 1 wherein the drug is a drug useful for treatment of the respiratory tract of the mammal and is compatible with the sterically stabilized liposome.

15. (withdrawn) The carrier of claim 14 wherein the drug is selected from the group consisting of budesonide, flunisolide, triamcinolone, beclomethasone, fluticasone, mometasone, dexamethasone, hydrocortisone, methylprednisolone, prednisone, cotisone, betamethasone, terbutaline, albuterol, ipratropium, pirbuterol, epinephrine, salmeterol, levalbuterol, formoterol, montelukast, zafirlukast, zileuton, loratadine, cetirizine isoniazid, ethambutol, pyrazinamide, rifamycin; rifampin, streptomycin, clarithromycin, azelastine, theophylline, amikacin, gentamicin, tobramicin, rifabutin, rifapentine, sparfloxacin, ciprofloxacin, quinolones, azithromycin, erythromycin, and isoniazid.

16. (original) The carrier of claim 1 wherein the carrier comprises egg-derived or soybean-derived phosphatidylcholine.

17. (original) The carrier of claim 1 wherein the carrier comprises egg-derived or soybean derived phosphatidylglycerol.

18. (currently amended) A composition comprising a sterically stabilized liposome carrier wherein the carrier contains phosphatidylcholine, phosphatidylglycerol and poly (ethylene glycol) in combination with [a drug] budesonide, the composition being compatible with a respiratory tract of a mammal, aerosol administration and effective to extend the effective life of [a drug] the budesonide in the respiratory tract by a time equal to at least twice the effective life of the budesonide alone.

19. (currently amended) The composition of claim 18 wherein the time is equal to at least three times the effective life of the [drug] budesonide alone.

20. (cancelled)

21. (cancelled)

22. (currently amended) The composition of claim [20] 18 wherein the phosphatidylcholine is present in an amount equal to from about 50 to about 100 weight percent.

23. (currently amended) The composition of claim 21 wherein the carrier comprises [from about 0] up to about 50 weight percent phosphatidylglycerol.

24. (original) The composition of claim 20 wherein the carrier further comprises poly (ethylene glycol).

25. (currently amended) The composition of claim [25] 24 wherein the poly (ethylene glycol) has a molecular weight from about 500 to about 5,000 Daltons.

26. (currently amended) The composition of claim 18 wherein at least one of phosphatidylcholine, phosphatidylglycerol or poly(ethylene glycol)-derivatized lipid have acyl chains containing from about [10] 8 to about [40] 18 carbon atoms.

27. (currently amended) The composition of claim 26 wherein the acyl groups comprise at least one of distearoyl, stearoyl oleoyl, oleoyl stearoyl, stearoyl palmitoyl, dipalmitoyl, dioleoyl, palmitoyl oleoyl and dipalmitoleoyl.

~~28. (withdrawn) (inadvertently omitted from original patent application.)~~

28 ~~29.~~ (currently amended) The composition of claim 18 wherein the carrier comprises at least one of poly (ethylene glycol)-conjugated lipids, phosphatidylinositol, dipalmitoylphosphatidylpolyglycerol, lipid conjugated polyoxyethylene, lipid conjugated polysorbate, or lipids conjugated other hydrophilic steric coating molecules safe for in vivo use, the sterically stabilized liposome being effective to extend the effective lifetime of [a drug] budesonide in the respiratory tract of a mammal.

29 ~~30.~~ (currently amended) The composition of claim 18 wherein the carrier [is] contains phosphatidylcholine, phosphatidylglycerol, and poly (ethylene glycol) – [distearyolphosphatidyldiethanolamine] distearoylphosphatidyldiethanolamine.

30 ~~31.~~ (withdrawn) The composition of claim 18 wherein the drug is a drug useful for treatment of the respiratory tract of the mammal that is compatible with the sterically stabilized liposome.

31 ~~32.~~ (withdrawn) The composition of claim 31 wherein the drug is selected from the group consisting of budesonide, flunisolide, triamcinolone, beclomethasone, fluticasone, mometasone, dexamethasone, hydrocortisone, methylprednisolone, prednisone, cotisone, betamethasone, terbutaline, albuterol, ipratropium, pirbuterol, epinephrine, salmeterol, levalbuterol, formoterol, montelukast, zafirlukast, zileuton, loratadine, cetirizine isoniazid, ethambutol, pyrazinamide, rifamycin; rifampin, streptomycin, clarithromycin, azelastine, theophylline, amikacin, gentamicin, tobramicin, rifabutin, rifapentine, sparfloxacin, ciprofloxacin, quinolones, azithromycin, erythromycin, and isoniazid.

32 ~~33.~~ (original) The composition of claim 18 wherein the carrier comprises egg-derived or soybean-derived phosphatidylcholine.

33 ~~34.~~ (original) The composition of claim 18 wherein the carrier comprises egg-derived or soybean-derived phosphatidylglycerol.

34 ~~35.~~ (currently amended) A method for treating [a] the respiratory tract of a mammal by aerosol administration of an effective amount of a composition comprising a sterically stabilized liposome carrier wherein the carrier contains phosphatidylcholine, phosphatidylglycerol and poly(ethylene glycol) for combination with [a drug] budesonide, and budesonide, the sterically stabilized liposome being compatible with [a] the respiratory tract of a mammal and effective to extend the effective life of the [drug] budesonide in the respiratory tract by a time equal to at least twice the effective life of the [drug] budesonide alone.

35 ~~36.~~ (currently amended) The method of claim 35 wherein the carrier comprises phosphatidylcholine and wherein at least 50 percent of the head groups contain phosphatidylcholine.

36 ~~37.~~ (currently amended) The method of claim [36] 35 wherein the carrier further comprises phosphatidylglycerol.

37 ~~38.~~ (original) The method of claim 36 wherein the phosphatidylcholine is present in an amount equal to from about 50 to about 100 weight percent.

38 ~~39.~~ (currently amended) The carrier of claim 37 wherein the carrier comprises [from about 0] up to about 50 weight percent phosphatidylglycerol.

39 ~~40.~~ (cancelled)

40 ~~41.~~ (cancelled)

41 ~~42.~~ (currently amended) The method of claim 35 wherein [at least one of phosphatidylcholine, phosphatidylglycerol, and] the poly (ethylene glycol) is attached to a lipid such as phosphatidylethanolamine[, have] and has acyl chains containing from about [16] 8 to about 18 carbon atoms.

42 ~~43.~~ (currently amended) The method of claim 42 wherein the acyl chains contain from about [8] 16 to about 18 carbon atoms.

43 44. (currently amended) The method of claim 42 wherein the acyl groups comprise at least one of distearoyl, stearoyl oleoyl, oleoyl stearoyl, stearoyl palmitoyl, dipalmitoyl, dioleoyl, palmitoyl oleoyl and dipalmitoleoyl.

44 ~~45.~~ (original) The method of claim 35 wherein the carrier comprises at least one of poly (ethylene glycol)-conjugated lipids, phosphatidylinositol, dipalmitoylphosphatidylpolyglycerol, lipid conjugated polyoxyethylene, lipid conjugated polysorbate, or lipids conjugated other hydrophilic steric coating molecules safe for in vivo use, the sterically stabilized liposome being effective to extend the effective lifetime of a drug in the respiratory tract of a mammal.

45 ~~46.~~ (currently amended) The method of claim 35 wherein the carrier [is] contains phosphatidylcholine, phosphatidylglycerol, and poly (ethylene glycol)-distearyolphosphatidyldiethanolamine, with or without cholesterol.

46 ~~47.~~ (withdrawn) The method of claim 35 wherein the drug is a drug useful for treatment of the respiratory tract of the mammal and is compatible with the sterically stabilized liposome.

47 ~~48.~~ (withdrawn) The method of claim 47 wherein the drug is selected from the group consisting of budesonide, flunisolide, triamcinolone, beclomethasone, fluticasone, mometasone, dexamethasone, hydrocortisone, methylprednisolone, prednisone, cotisone, betamethasone, terbutaline, albuterol, ipratropium, pirbuterol, epinephrine, salmeterol, levalbuterol, formoterol, montelukast, zafirlukast, zileuton, loratadine, cetirizine isoniazid, ethambutol, pyrazinamide, rifamycin; rifampin, streptomycin, clarithromycin, azelastine, theophylline, amikacin, gentamicin, tobramicin, rifabutin, rifapentine, sparfloxacin, ciprofloxacin, quinolones, azithromycin, erythromycin, and isoniazid.

48 49. (currently amended) The method of claim 35 wherein the carrier [comprises] contains egg-derived or soybean derived phosphatidylglycerol.

49 ~~50.~~ (currently amended) The method of claim 35 wherein the carrier [comprises] contains egg-derived or soybean derived phosphatidylglycerol.

50 ~~51.~~ (cancelled)

51 ~~52.~~ (withdrawn) The method of claim 35 wherein the drug is triamcinolone.

52 53. (newly added) The carrier of claim 1 wherein the carrier contains distearoylphosphatidylethanolamine-cholesterol.